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INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE  
RUCPDO/DEPT OF COMMERCE WASHINGTON DC

C O N F I D E N T I A L MANAGUA 001084

SIPDIS

STATE FOR WHA/CEN, EB/IFD/OIA, AND L/CID  
STATE ALSO FOR WHA/EPSC

E.O. 12958: DECL: 08/21/2018

TAGS: [ECON](#) [EINV](#) [NU](#)

SUBJECT: NICARAGUA: GON RESOLVES SENFELD PROPERTY CASE

REF: 07 MANAGUA 2442

Classified By: CDA Rich Sanders for reasons 1.4 (B) and (D).

11. (SBU) On August 14, U.S. citizen claimant Norman Senfeld signed a settlement document, or "finiquito," for the equivalent of \$5 million to resolve his three property claims. Mr. Senfeld will receive a payment of \$2.5 million in the form of indemnification bonds (BPIs) at the end of August and the remaining \$2.5 million in November 2009. The GON deserves credit for sticking to its commitment to resolve this high-profile property case.

GON RESOLVES SENFELD CASE  
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12. (U) On August 14, U.S. citizen Norman Senfeld, whose textile plant, subsidiaries, and equipment were expropriated by the GON in 1980, signed a "finiquito" to accept compensation of \$5 million in the form of BPIs. The GON provided the Property Office a copy of the finiquito on August 18. Senfeld will receive two payments in the form of BPIs for his settlement. He will receive the first payment at the end of August for the equivalent of \$2.5 million and the remaining \$2.5 million in November 2009. Senfeld's case represents three property claims registered with the Embassy Property Office.

Claimant Resolution ----- -----	Type of Claim -----	No. of Claims -----	Type of
Norman Senfeld bonds	Land,	3	
	Equipment, Assets		

PERSISTENCE PAYS OFF  
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13. (U) In 1974, Senfeld created the Managua Textiles Company which subsequently became the Textiles of America Company (TEXAMSA) in 1979. After TEXAMSA was expropriated by the GON in 1980, Senfeld pursued compensation for his property with the first Sandinista government without success. In 1990, Senfeld filed claims with the GON and sought \$6 million in compensation. Since that time, Senfeld has patiently worked to negotiate a settlement with the government. In May 2008, Senfeld reached an agreement in principle with the GON to settle his claims for the equivalent of \$5 million. Between May and August, Senfeld traveled several times to Nicaragua to finalize the agreement: He signed a letter of intent with the government in July. During Senfeld's pursuit of compensation, his case received U.S. congressional attention which may have prompted the GON to finally settle his claims.

COMMENT

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14. (C) The GON deserves credit for sticking to its commitment to resolve this high-profile case. We had our doubts (reftel). GON officials told us that President Ortega pressured Attorney General Hernan Estrada to resolve this case because he "never wanted to hear Senfeld's name again."  
End Comment.  
SANDERS